



CITY OF GROSSE POINTE WOODS

MEMORANDUM

Date: July 9, 2024

To: Mayor and City Council

From: Frank Schulte, City Administrator

Subject: 2024 Engineering Hourly Rate Increase

RECEIVED

JUL 12 2024

CITY OF GROSSE POINTE WOODS
CLERK'S DEPARTMENT

In accordance with their contract, the city's consulting engineering firm Anderson, Eckstein & Westrick, Inc is asking for a 5% increase to their hourly rates for the employee classifications outlined in Exhibit "A" of their attached 2024-2026 Engineering Hourly Rates letter for the 2024 FY. This increase does not apply to the top two position classifications of Principal Engineer/Surveyor/Architect and Senior Project Engineer/Surveyor/Architect, which automatically increases due to their standard billing practices.

If approved, the 5% increase will not affect any of the proposed 2024 projects budgeted amounts as they already include adjustments for CPI.

I recommend approving Anderson, Eckstein, & Westrick, Inc. requested 5% hourly increase for the employee classifications outlined in AEW's 2024-2026 Hourly Rates letter Exhibit "A" in an amount not to exceed \$20,000. Funds are available in account #101-441-818.000 (\$10,000), #101-265-818.000 (\$5,000) and #592-537-818.000 (5,000).

Attachments

Fund Certification:

I hereby certify that unencumbered funds are available for the above rate increase, and that the account numbers have been verified.

Handwritten signature of Steve Sedell in black ink.

Treasurer/Comptroller Signature

APPROVED FOR COUNCIL CONSIDERATION:

Handwritten signature of Frank Schulte in blue ink.

City Administrator Signature



ANDERSON, ECKSTEIN & WESTRICK, INC.

CIVIL ENGINEERS - SURVEYORS - ARCHITECTS

Shelby Township - Roseville - Livonia

586.726.1234 | www.aewinc.com

June 21, 2024

Frank Schulte, City Administrator
City of Grosse Pointe Woods
20025 Mack Plaza Drive
Grosse Pointe Woods, Michigan 48236

Reference: 2024-2026 Engineering Hourly Rates

Dear Mr. Schulte:

We appreciate the opportunities the City of Grosse Pointe Woods has afforded us to provide consulting engineering services. Anderson, Eckstein and Westrick, Inc. (AEW) has enjoyed the privilege of growing with the community, as an integral part of your team!

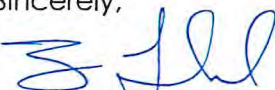
In accordance with our contract, our hourly fees are subject to be adjusted annually to reflect inflation, typically based upon the United States Department of Labor Detroit Metropolitan Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI). The last rate increase that was approved by the City was for three years at the following rates 2021(5%), 2022(2.8%) and 2023(2.8%), which equals a total increase over that period of time of 11.0%. Since then the CPI has increased 19.8%, a difference of 8.8%.

At this time, we are requesting the City consider an hourly rate increase of 5.0% for the fiscal year 2024, except for the top two classifications which have been increased to conform to our standard billing practices (proposed rates attached, Exhibit "A"). Please recall from prior correspondence that the rate increase in 2021 was the first since 2005. Therefore, our hourly rates have increased 11.0% while the CPI has increased 45.6% over the same period of time.

In order to avoid measurable increases in the future, it is anticipated our hourly rates will be adjusted slightly above CPI in the upcoming years. Please note, budget amounts for the proposed 2024 projects include adjustments for CPI and, therefore, are not subject to change if this request is approved.

We request your approval of the proposed hourly rate modifications. We sincerely appreciate the opportunity to work with the City of Grosse Pointe Woods and are very grateful for your consideration. If you have any questions or would like further information, please advise.

Sincerely,



Scott Lockwood, PE

Enclosure: Exhibit "A"- Proposed Hourly Rates

M:\0160\0160-0000\Contracts\2024-2026 Hourly Charge Rate Adjustment.docx

51301 Schoenherr Road, Shelby Township, MI 48315

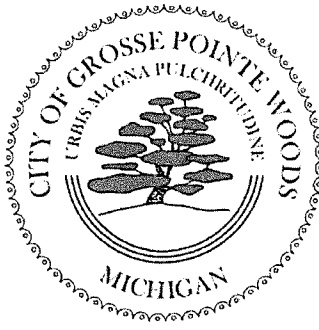
"Engineering Strong Communities"



EXHIBIT "A"

**CITY OF GROSSE POINTE WOODS
HOURLY CHARGE RATES**

<u>EMPLOYEE CLASSIFICATION</u>	<u>CURRENT (2023)</u>	<u>2024</u>
PRINCIPAL ENGINEER / SURVEYOR / ARCHITECT	114.30	137.20
SENIOR PROJECT ENGINEER / SURVEYOR / ARCHITECT	114.30	131.40
LICENSED ENGINEER / SURVEYOR / ARCHITECT	114.30	120.00
GRADUATE ENGINEER / SURVEYOR / ARCHITECT	92.70	97.30
TEAM LEADER	92.70	97.30
ENGINEERING AIDE III	77.70	81.60
ENGINEERING AIDE II	68.80	72.20
ENGINEERING AIDE I	62.10	65.20
ENGINEERING AIDE TRAINEE	44.90	47.10
SECRETARIAL (Special Projects)	36.70	38.50
SURVEY FIELD (3 PERSON CREW)	188.10	197.50
SURVEY FIELD (2 PERSON CREW)	156.50	164.30
CONFINED SPACE ENTRY CREW	205.90	216.20
DATA COLLECTOR (SURVEY CREW)	25.00	na
COMPUTER SYSTEM	12.70	na
GPS SURVEY EQUIPMENT	63.80	na
EFFECTIVE JULY 1 OF INDICATED YEAR		



ALL INVOICES
MUST BE BILLED AND MAILED TO:
ACCOUNTS PAYABLE



CITY OF GROSSE POINTE WOODS
20025 MACK PLAZA DRIVE
GROSSE POINTE WOODS, MI 48236
Phone: 313-343-2440 Fax: 343-343-2785

PURCHASE ORDER

Issue Date: 07/02/2024

PO Number: **24-48400**

**THIS NUMBER MUST APPEAR ON
ALL INVOICES, SHIPPERS,
PACKING SLIPS AND PACKAGES**

Payment Terms: Net 30 Days

Tax Exempt #: 38-6007179

Buyer Name

Buyer Phone/Email

TO:
ANDERSON ECKSTEIN
AND WESTRICK INC 51301 SCHOENHERR RD
SHELBY TWP, MI 48315

SHIP TO:
DEPARTMENT OF PUBLIC WORKS
1200 PARKWAY DRIVE
GROSSE POINTE WOODS, MI 48236
CONTACT PHONE: (313) 343-2460

QTY	Unit	Description	Unit Price	Amount	Account Number
1.00	SERVICE	FY 2024-25 GENERAL ENGINEERING	10,000.00	10,000.00	101-441-818.000
1.00	SERVICE	FY 2024-25 GENERAL ENGINEERING	5,000.00	5,000.00	101-265-818.000
1.00	SERVICE	FY 2024-25 GENERAL ENGINEERING	5,000.00	5,000.00	592-537-818.000

Total: \$20,000.00

DEPARTMENT CERTIFICATION

I hereby certify that the above items are necessary for the proper operation of this Department/Divison.

James Kowaluk

DEPARTMENT HEAD SIGNATURE

FUND CERTIFICATION:

I hereby certify that unencumbered funds are available for the above purchase.

Shawn M. Murphy

TREASURER/COMPROLLER SIGNATURE

NOTE TO VENDORS

**IN ACCEPTING THIS ORDER THE
VENDOR IS SUBJECT TO ALL OF THE
TERMS AND CONDITIONS AS
STATED HEREIN AND ON THE
REVERSE SIDE OF THIS ORDER.**

APPROVED:

Frank Schulte

CITY ADMINISTRATOR SIGNATURE